

Philosophy and Background of the Working Healthy Program

Disincentives to work

The unemployment rate for people with disabilities remains about 70%. The great majority (72%) of those not working say they want to work. In fact, the number of people with disabilities receiving SSI and/or SSDI benefits has steadily increased, more than doubling from 4 million in 1985 to more than 9.1 million in 2000. Less than one-half of one percent of beneficiaries with disabilities ever leaves the rolls by starting or returning to work.

Numerous studies have documented that one of the largest barriers to this population returning to work is the fear of losing health care coverage. Other barriers include the complexities of using existing work incentive programs such as PASS and IRWE's. Finally, lack of consumer choice in receiving vocational rehabilitation services has been a barrier for some who either don't meet order of selection criteria for state Vocational Rehabilitation programs or who face long delays in receiving these services.

The Ticket to Work and Work Incentives Improvement Act

The Ticket

In 1999, Congress passed the Ticket to Work and Work Incentives Improvement Act (TW-WIIA), a law designed to help increase the employment of people with disabilities, partly by removing federal disincentives to employment. The first part of the program, provided a voucher or "ticket" that consumers can use to select their own employment or rehabilitation provider. Kansas became a "ticket state" in November 2002.

The Social Security Administration issues the ticket to SSDI or SSI disabled beneficiaries between the ages of 18 and 64. When a ticket is received, consumers are free to choose when and whether to assign it. If they want to participate in the program, the ticket can be taken to an Employment Network(EN) or to the state Vocational Rehabilitation agency. Persons receiving SSI and SSDI and using the Ticket are exempt from continuing disability reviews during their job search. In addition, the law provides for expedited benefits reinstatement for Ticket users who are not successful at achieving gainful employment.

Health Care Provisions

The second part of the Act is intended to remove barriers to employment by increasing access to health care. In October 2000, Kansas was awarded a grant to facilitate changes in the Kansas Medicaid system that would increase services and supports to individuals with disabilities who want to work, as well as those currently working, without the fear of losing health coverage.

Kansas started the Working Healthy program in July 2002. Working Healthy allows Kansans with disabilities to maintain or initiate Medicaid coverage when they enter competitive employment. If their income surpasses a certain threshold, they will be required to pay a premium for the Medicaid coverage.

Working Healthy, which empowers many Kansans with disabilities to attain competitive employment, is founded on the philosophy of encouraging people to develop assets that will prevent them from needing to go back to reliance on any type of public assistance. By eliminating the spenddown and allowing the accumulation of assets such as savings and checking accounts, retirement funds, and the equity in homes, the program empowers people with disabilities to truly have the opportunity to become self-sufficient and independent.

The program also provides services to support successful employment, including Benefits Assistance and Planning. Because increased income or assets can result in loss of other benefits (e.g., Section 8 housing), Benefits Specialist trained in the federal, state, and local programs are hired and trained to provide this assistance and planning. Benefits Specialist work with consumers interested in participating in Working Healthy to review the pros and cons of doing so.

The Working Healthy program implemented in 2002, was for disabled individuals who are working. In February 2005, the Medically Improved group, which is an extension of the current working healthy eligibility group, was added to the Working Healthy program. These individuals were covered under the working healthy eligibility group, and now because of medical improvement, lose their Social Security disability status. They must work a minimum of 40 hours per month at minimum wage to be eligible for the Medically Improved group coverage.

On July 1, 2007, the Kansas Health Policy Authority implemented a new state plan package of benefits that provide personal services, as well as other services, for employed persons with disabilities in Kansas. WORK (Working Opportunities Reward Kansans) allows Working Healthy eligible enrollees to work, pay a premium for Medicaid and receive a “package” of services that support independent living and employment. This package includes assessments, personal assistance services, independent living counseling, and assistive services.

5/2008

Working Healthy Program Review

Barriers to employment for disabled:

- ✓ Fear of losing their Social Security benefits and Medicare coverage
“Losing SSDI after using my 9 lifetime trial work months, and then having to go through the entire disability determination process again, survive another 3 or 4 years under extreme poverty again, and live through hopelessness again, is too big of a risk.”
- ✓ Additional income increases the spenddown amount, or the amount of their client obligation
- ✓ Additional income decreases a person’s Food Stamp benefits and affects their public housing assistance

Benefits to employment for disabled on the Working Healthy Program:

- The opportunity to earn more without the risk of losing health care coverage
- All health services and coverage are available through Kansas Medicaid
- Higher asset and income eligibility
- Increased personal and financial independence
- “I feel better about myself and have insurance for health and meds.”

Some Statistics

- As of September 2007, Kansas had **1025(7MI & 20 WORK)** consumers enrolled in the Working Healthy program.
- In September 2007, 68% of consumers enrolled were premium payers.
- In September 2007, \$59,131.00 premiums were billed and \$47,035.34. premiums were received.

Working Health Eligibility

KEESM 2664-2664.3

Who Qualifies?

Working Healthy Group (Medical Card)

General eligibility factors of cooperation, residency, alienage, act in own behalf, and social security number must be met.

Consumer must meet the SSI disability standard, whether or not they have ever received SSI or SSDI income.

Consumers must be age 16 through 64

Consumer must have verified earned income (Income which is subject to FICA or SECA taxes being paid).

Earnings at or above the federal minimum wage (unless self-employed)

\$65 minimum earned income after IRWE, BWE, and income producing costs are deducted

Example: \$200	gross wages
<u>-100</u>	IRWE disregard
\$100	Consumer eligible for WH as earned income more than \$65 minimum

Consumers can have countable income up to 300% of the federal poverty level for the household size.

Consumers with income in excess of 100% of the federal poverty level for the household size, must pay a monthly premium based on a sliding scale.

Non-exempt resources shall not exceed \$15,000 for all members on the WH assistance plan. The \$15,000 limit is the same for one person and for two or more person plans.

Once eligibility under this group has been established, a person temporarily unemployed with the intention of returning to work shall remain covered under this group up to nine months, provided all other general, financial, and non-financial criteria continue to be met.

Medically Improved Group (Medical Card)

Must meet all of the above criteria.

Must first be covered under the Working Healthy group.

Must lose their Social Security disability status because of medical improvement.

Must work a minimum of 40 hours per month at minimum wage.

WORK (Work Opportunities Reward Kansans) (Medical Card + Services)

Must meet all of the above criteria.

Must first be covered under the Working Healthy group.

Must be determined to need WORK services in order to live and work in the community.

1/2009

What programs do you look at first?

When a person expresses interest in the Working Healthy program, you should first consider whether or not they meet the qualifications for other programs.

1. **SI**
There is no reason to consider Working Healthy if a person is eligible for SI medical and is receiving SSI benefits or is considered 1619B.
2. **MS-Protected Medical Groups (Includes Pickle Eligibles, Adult Disabled Children, Early Widows/Widowers, and Qualifying Disabled Widows/Widowers)**
Eligibility for any of the Special Medical Groups should be considered as those programs have no spenddown or obligation requirements.
3. **MS program (without spenddown)**
There is no reason to consider Working Healthy if a person is eligible for the MS program without a spenddown as the benefits are the same.
4. **MS-Working Healthy (without a premium)**
If a consumer would have a spenddown on the MS program consider Working Healthy eligibility.
5. **MS program (with spenddown) or MS-Working Healthy (with a premium)**
Consumers who have a premium obligation on the Working Healthy program have to agree to pay the premium before eligibility can be approved. Consumers must chose between a spenddown or a premium obligation.
6. **HCBS Waiting List**
Persons may not receive HCBS if covered under Working Healthy group, but may receive Working Healthy if on an HCBS waiting list.



Note: QMB and LMB eligibility should always be considered along with any of the above programs. Those who qualify for the above programs or Working Healthy are deemed automatically eligible for Medicare Part D Subsidy.

Working Healthy
KEESM 1411, 2664.4 & 7330

How does someone apply?

Application Process

The consumer completes and signs an application for medical benefits. Consumer can request WH for the 3 months prior to the month of application. Eligibility can be determined for any one or all of the 3 prior months.

The consumer may have initial contact with SRS or they could have heard about the program from other contacts including; Benefits Specialist, Independent Living Centers, HCBS case managers, or other contacts. It is imperative that the EES worker keep those lines of communication open.

If you are the first contact, it is recommended that you refer the consumer to your Working Healthy Benefit Specialist. The Benefit Specialist can then explain the benefit of increased income to the loss of other benefits and the potential of premium payments.

Prior to processing a request for the Working Healthy program, the EES worker must obtain an agreement from the consumer that they will pay any premium obligation that they may have. The ES-3165 form has been created for this purpose. The EES worker may mail this form to the consumer or hand it to them at the time of interview. It roughly explains how premiums are determined and asks the consumer if they agree to pay their premium obligation. They may respond by signing and returning the form or via a telephone contact to their worker. The consumer can also tell their Benefits Specialist they agree to pay the premium. A response must be received before the case is processed.

Working Healthy cases are approved for twelve month certification periods and desk reviews are completed at the six month mark to redetermine the premium obligation. The EES worker will have to set a WOAL on all Working Healthy cases to review the premium obligation at the six-month point.

Working Healthy consumers are not subject to managed care, and have co-pay responsibilities (unless <18).

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